

RESOLUTION NO. 20120910-006

WHEREAS, the City of Austin (Issuer) is a home rule city authorized to issue obligations to finance its activities, the interest on which is excludable from gross income for federal income tax purposes (tax-exempt obligations) pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the Code); and

WHEREAS, the Issuer intends to make on or after this date, or has made not more than 60 days before this date, approximately \$14,200,000 in expenditures related to projects to be funded by General Obligation Bonds approved by the voters in the November 2006 Special Municipal Election, as follows (collectively, GO Bond Projects) as follows:

- Proposition 1 project expenditures in the amount of \$1,100,000 related to sidewalk reconstruction and improvements and traffic signals;
- Proposition 2 project expenditures in the amount of \$3,700,000 related to watershed protection master plan projects;
- Proposition 3 project expenditures in the amount of \$2,400,000 related to park facility improvements and renovations, playscapes, pool improvements, and renovations, and trails;
- Proposition 4 project expenditures in the amount of \$2,000,000 related to community and cultural facility projects;
- Proposition 6 project expenditures in the amount of \$5,000,000 related to a new central library; and

WHEREAS, the Issuer expects to make on or after this date, or has made not more than 60 days before this date, expenditures in the amount of approximately \$7,125,000 related to the building renovations and improvements, and the Waller Creek Tunnel to be funded by certificates of obligation or other tax exempt debt as lawfully appropriate (Certificate of Obligation Projects); and

WHEREAS, the Issuer expects to make on or after this date, or has made not more than 60 days before this date, expenditures in the amount of approximately \$46,615,000 related to the City's telecommunications network upgrade, Greater Austin-Travis County Regional Radio System, and Austin Fire Department vehicles to be funded by contractual obligations or other tax exempt debt as lawfully appropriate (Contractual Obligation Projects) (GO Bond Projects, Certificate of Obligation Projects, and Contractual Obligation Projects are referenced together in this resolution as "the GO Projects"); and

WHEREAS, the Issuer intends to expend available moneys, including moneys on deposit in the Issuer's general fund, for these expenditures; and

WHEREAS, the Issuer has concluded that it does not currently desire to issue tax-exempt obligations to finance these expenditures; and

WHEREAS, the Issuer finds, considers and declares that the reimbursement of the payment by the Issuer of these expenditures will be appropriate and consistent with the lawful objectives of the Issuer and chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the

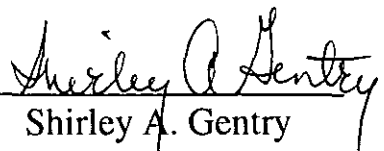
U.S. Treasury Regulations (Regulations), to reimburse itself for such payments at such time as it issues tax-exempt obligations; and

WHEREAS, the Issuer reasonably expects to issue tax-exempt obligations to reimburse itself for capital expenditures made as described above; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Issuer reasonably expects to reimburse itself for capital expenditures with respect to the GO Projects paid with funds on hand from the proceeds of the sale of tax exempt obligations to be issued, and this resolution shall constitute a declaration of official intent under the Regulations. The maximum principal amount of the tax exempt obligations expected to be issued for the GO Projects is \$68,940,000 (GO Bond Projects in the amount of \$14,200,000, Certificate of Obligation Projects in the amount of \$7,125,000 and Contractual Obligation Projects in the amount of \$46,615,000).

ADOPTED: September 10, 2012

ATTEST: 
Shirley A. Gentry
City Clerk